P.O. BOX

Update on the Happenings of CMS's Managed Care Systems and Support Operations

Division of Enrollment and Payment Operations, HPBG, CBC – Centers for Medicare & Medicaid Services (formerly, HCFA)

BASIC TRAINING ON MANAGED CARE ENROLLMENT & PAYMENT PROCESSES

To better serve the training needs of the MCO community, the Division of Enrollment and Payment Operations (DEPO) is planning to conduct a one-day enrollment and payment process "basic training" session on April 3rd, 2003. This session will be hands on, and is targeted to new or inexperienced MCO staff. The training will focus on accessing the CMS computer systems, beneficiary enrollment processes, and MCO payments and reconciliation. April 4th will be an additional day if registration exceeds seating capacity for April 3rd.

Please note: This basic training is in addition to the annual Medicare Managed Care Enrollment and Payment conference that will be held in September of 2003. As more information becomes available on both events it will be posted on our web page:

http://www.cms.hhs.gov/healthplans/systems/

2003 REPORT AND PAYMENT RATE UPDATES

Congestive Heart Failure (CHF) Flags on the Membership Report

Effective with the January 1, 2003 monthly membership report (MMR), the CHF3 (2003) and the CHF2 (2002) flags are being displayed. The CHF1 (2001) flag was populated, beginning with the March 1, 2003 MMR.

Transaction Reply Code 113

For managed care organizations that are offering the BIPA606 provision benefit (that provides for a reduction in the member's Part B premium), a new transaction reply code has been added. Code 113 will appear on the Transaction Reply Report if the BIPA606 reduction rate for a specific plan benefit package changes.

Risk Adjustment Payment Rates

Due to a recent decision to remove the budget neutrality limits in the computation of the risk adjustment payment rates, these rates will be revised. Beginning with the January 1, 2003 payment, the risk adjustment portion of the blended payment will be based on these new rates. They are higher than the initial 2003 rates. The new risk adjustment rates were posted in December.

WORKING AGED UPDATE: SP75 MSP ERROR CODE

Some Working aged transactions which M+Cs have recently sent to CMS were rejected with an SP75 MSP error code. The SP75 error code was implemented last year to allow CWF to only accept and provide updates to the CWF's Medicare Secondary Payer (MSP) records where the beneficiary has Medicare Part A. In November 2002, we began an investigation to determine the cause of the SP75 rejections. Recently, we received notice from the Coordination of Benefits Contractor (COBC) that there was an error in the logic of this edit. The COBC has corrected the error. The

COBC has informed us that the corrections should be seen on your February or March reports for all erroneous SP75 rejects.

COORDINATION OF BENEFITS CONTRACTOR: MCO PHONE CONTACT

Managed Care Organizations can contact the Coordination of Benefits Contractor directly. For inquiries about CWF referrals submitted to the COBC for correction of Working Aged records/ periods, please call Alberta Smyth at 646-458-6694.

STATES ACCESS TO MEDICARE BENEFICIARY DATA BASE INFORMATION

On January 9, 2002, Centers for Medicare and Medicaid Services (CMS) issued a letter to State Medicaid Directors, concerning the states ability to obtain a customized extract from the Medicare Enrollment Database. The States can submit a list of their Medicaid beneficiaries and those who are enrolled in Medicare will be identified. The letter may be found at http://www.cms.hhs.gov/states/letters/. (January 9, 2002 Medicare Enrollment Database (EDB)). This data exchange may assist in

the effort to ensure all eligible beneficiaries are included in the Medicare Part B billing system, which is used as the primary source for the Medicaid Capitation rate. To date 28 states have entered into the Data Use Agreement. These include: Alabama, Alaska, California, Colorado, Connecticut, Delaware, Florida, Hawaii (pending), Illinois, Indiana, Iowa, Kansas, Kentucky, Maryland, Massachusetts, Michigan, Minnesota, New Jersey, New York (Comptroller), New York (Medicaid), North Carolina, Ohio, Oklahoma, Pennsylvania, Tennessee, Washington, Vermont, Virginia, Wisconsin.

ESRD FACILITIES CAN SUBMIT ELECTRONIC 2728'S

The CMS Form 2728 can now be transmitted to the ESRD Networks via the Internet on the same day the form is completed at a facility. The current M+CO's beneficiary status has the potential to be automatically updated to CMS through the ESRD Networks on a daily basis. CMS has introduced a new application called Vital Information System to Improve Outcomes in Nephrology (VISION). The application provides facilities with a secure environment for transmitting patient data via the Internet and is HIPAA compliant. Some of the independent and small chain

facilities have received training on VISION during the last six months and are currently submitting electronically. CMS will be working with the larger national Chains to import data into VISION. If you are interested in learning more about VISION, please contact your local ESRD Network or the CMS VISION Project Officer, Terry Conner at TConner1@cms.hhs.gov.

INTEGRIGUARD PROCESSING OF RETROACTIVE ADJUSTMENTS

CMS has contracted with IntegriGuard to process the retroactive health status payment adjustments and enrollment changes. Within 10 days of receiving requests for adjustments, IntegriGuard is confirming receipt with the MCO. They are also informing M+CO's when it is taking longer than 45 days to process adjustments, due to McCoy down time. IntegriGuard has been contracted to process requests submitted by the M+CO's and the 1-800 call centers. Recently, it has come to our attention that some M+CO's have advised beneficiaries to contact IntegriGuard directly. If a beneficiary contacts the M+CO, the M+CO should obtain the required documentation and submit it to

IntegriGuard or to the Regional Office. The address, phone number and e-mail address for IntegriGuard should not be given to beneficiaries. IntegriGuard has been instructed to refer beneficiaries to the appropriate Regional Office.

ALERT----ALERT---ALERT— (TRANSMITTING DATA WHEN MCCOY IS DOWN)

Plans are asked not to transmit data to CMS on scheduled down days for MCCOY. This could result in the data not being picked-up and cause an incorrect time/date stamp to post on the MCCOY Transfer Tracking Report.

If you do transmit data on a MCCOY down day and experience problems, please contact the technical support person for the Plan's region: Sarah Brown (Regions 1-3 and 7), Sue Hartmann (Regions 4-6), and Sue Mathis (Regions 8-10).

2ND ALERT---ALERT CMS DATA CENTER ENFORCING TIGHTER SECURITY

The CMS Data Center will be enforcing tighter security measures for users.

ID sharing is prohibited— each person needing access to the CMS Data Center should apply for and have an individual ID**.**
The grace period for re-certification of your CMS User-ID has been reduced. In the past, a grace period of 100 days was usually given before the ID was deleted. The grace period is now 30 days.

Information regarding User-IDs, Re-certification, and Access Forms can be found on our Home Page (http://www.cms.hhs.gov/healthplans) under "Forms".

HELPFUL HINTS

User ID's Will be Issued As One Algorithm

CMS User-ID's have always been issued as a group ID. As an example, for MCO Users, a group ID starting with TA, TB, TC, et seq., would have been issued.

CMS is now issuing IDs as one algorithm (the first initial of the user's last name, plus 3 CMS-assigned alpha/numeric characters, resulting in a 4-digit password).

NOTE: Users who currently hold a CMS user ID will not be affected by this change. Only newly issued ID's will be in the new algorithm.